

Law Offices of Joseph L. Manson III

Joseph L. Manson III, Esq.
600 Cameron St.
Alexandria, VA 22314

March 3, 2021

VIA EMAIL

Jeffrey R. Sandberg
Palmer Lehman Sandberg, PLLC
8350 North Central Expressway, Suite 111
Dallas, TX 75206

Re: *Universitas Education, LLC v. Avon Capital, LLC*, Case No. 14-fj-05-HE (W.D. Okla.) –
Motion for Sanctions

Dear Jeff,

We represent Universitas Education, LLC (“Universitas”) in the above-captioned post-judgment garnishment proceedings before Hon. Judge Heaton. As you know, Universitas identified sanctions as a potential issue requiring judicial involvement in the above-captioned proceeding. Please find a copy of our proposed motion for sanctions against SDM Holdings, LLC (“SDM”) attached to this letter.

SDM’s conduct in the above-captioned proceeding has been egregious. What should have been a straightforward garnishment proceeding has devolved into years of protracted litigation. Universitas contends that this devolution is attributable to SDM’s prolonged refusal to appear in this proceeding and its frivolous claims and/or arguments. The only explanation for such outrageous behavior is bad faith. Moreover, Universitas considers your recent suggestion that SDM should benefit from its bad faith by virtue of 12 O.S. § 735 to be another bad faith claim. Universitas will file its proposed motion for sanctions should SDM continue to litigate in bad faith.

Universitas also expressly reserves the right to move for sanctions against you, John Stiner, and/or Joseph Bocock. SDM’s filings in this proceeding are entirely frivolous – in the aggregate SDM’s filings clearly demonstrate bad faith intentions that warrant sanctioning SDM’s counsel. However, as SDM’s filings cannot be entirely attributed to a single attorney, Universitas is not preparing a motion concerning sanctions against SDM’s counsel at this time. However, should SDM continue to litigate in bad faith, Universitas may seek sanctions against you, Mr. Stiner, and/or Mr. Bocock.

Please let us know if SDM will accept service of process for the attached motion of sanctions via email. Universitas will obtain a process server should SDM refuse to accept service of process via email, but will consider any such insistence upon physical service of process to be evidence of bad faith in this proceeding. Please do not hesitate to contact me regarding the proposed motion.

Sincerely,

/s/ Joseph L. Manson III
Joseph L. Manson III
Law Offices of Joseph L. Manson III
600 Cameron Street
Alexandria, VA 22314
Telephone: 202-674-1450
Email: jmanson@jmansonlaw.com

Counsel for Universitas Education, LLC

Cc: John Stiner
Joseph Bocock

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

UNIVERSITAS EDUCATION, LLC,

Petitioner/Judgment Creditor,

v.

Case No. 14-FJ-5-HE

AVON CAPITAL, LLC,

Respondent/Judgment Debtor,

ASSET SERVICING GROUP, LLC

Respondent/Garnishee,

SDM HOLDINGS, LLC

Respondent/Garnishee

and

AVON CAPITAL, LLC, a Wyoming
Limited Liability Company,

Intervenor.

MOTION FOR SANCTIONS AGAINST SDM HOLDINGS, LLC

Universitas Education, LLC (“Universitas”) hereby moves this Court, pursuant to the inherent power of the Court, for non-monetary sanctions against SDM Holdings, LLC (“SDM”) for its conduct in relation to the above-captioned proceeding. Throughout this litigation, SDM has engaged in a strategy to: (i) improperly prevent Universitas from collecting its judgment, and (ii) improperly increase Universitas’ attorneys’ fees so as to make it cost prohibitive for Universitas to collect its judgment.

As outlined in the accompanying Memorandum of Law, the only explanation for SDM's conduct in relation to this proceeding is the delay of garnishment through bad faith. Such bad faith conduct includes: (i) SDM's repeated refusal to appear in this proceeding, (ii) the termination of SDM's status with the Oklahoma Secretary of State in response to a garnishment summons issued by this Court, and (iii) opposing garnishment through meritless arguments. Accordingly, Universitas requests that the Court enter an anti-filing injunction prohibiting SDM from filing any further motions in this proceeding without prior permission from the Court.